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General debate: actions for the further implementation of the Programme of Action of the International Conference on Population and Development; and special theme of the fiftieth session of the Commission based on the Programme of Action of the International Conference on Population and Development and the key actions for its further implementation

Flow of financial resources for assisting in the further implementation of the Programme of Action of the International Conference on Population and Development

Report of the Secretary-General

Summary

A review of available data on resource flows to health and population matters shows a considerable increase in such flows over recent decades. However, shortfalls in the quality and coverage of the data persist.

The present report, which was prepared by the United Nations Population Fund, builds on the information contained in the previous report of the Secretary-General (E/CN.9/2016/5). It provides further discussion of select methodological difficulties encountered in estimating such resource flows, in particular the challenges of categorization and the difficulty of standardizing the estimates of national resource flows. These shortfalls undermine the reproducibility and reliability of estimated resource allocations to implement the Programme of Action, and thus a revised approach is recommended.

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The estimation of resource flows has much to gain from specificity in topic and theme, as a major limitation of the recent estimations has been the overlap and ambiguity between categories of population assistance. Limiting the scope of the exercise to specific dimensions of sexual and reproductive health may improve the quality of estimates, but does not avoid the difficulty of standardizing estimates at the national level. National health accounts, through which all available resources, including household expenditures, are accounted for under the leadership of a national ministry, are increasingly being generated and valued by many governments. Estimates of resource flows in support of sexual and reproductive health may fruitfully be drawn from such accounts. Further efforts to estimate resource allocations for the implementation of the Programme of Action cover multiple themes and categories and should be reconsidered in the light of the methodological concerns raised, as well as in the context of emerging efforts to cost and finance the implementation of the 2030 Agenda for Sustainable Development.

I. Introduction

1. In 2014 the international community reaffirmed the Programme of Action of the International Conference on Population and Development. One year later, in 2015, it adopted the 2030 Agenda for Sustainable Development. Sustainable development depends on comprehensive and integrated investments in populations to ensure that they can achieve their capabilities and contribute fully to development. That includes, inter alia, the full enjoyment of dignity, equality and human rights; universal access to quality education, decent work and lifelong good health; security of place; accountable systems of governance based on transparent national data; and resilience in the face of environmental and other humanitarian threats.

2. The values and vision that all persons have an equal right to development and that development reflects simultaneous investments across multiple sectors underpinned the recommendations of the 1994 Programme of Action and were reaffirmed by the 2014 review of the implementation of the Programme of Action. In 2016, the Commission on Population and Development stressed, in its resolution 2016/1, that full implementation of the Programme of Action and the key actions for its further implementation were integrally linked to global efforts to achieve sustainable development,[1] and the Programme of Action was recognized, in the 2030 Agenda for Sustainable Development, as a foundation for sustainable development.[2]

3. The focus, in landmark international agendas, on multisectoral and integrated investments is echoed by the growing concerns regarding the inequalities observed in development achievements, both between and within countries. The realization that sustainable development is inseparably linked to adequate investment in the capabilities of all persons, to ensure that no one is left behind, raises the question of whether resources to implement the Programme of Action are adequate. Are countries making adequate efforts to collect population data and produce and use population projections? Are they making progress in promoting sexual and reproductive health and protecting reproductive rights, and in empowering women and young people? Are these efforts receiving adequate financial resources?

4. A review of available data on resource flows to implement the Programme of Action shows a considerable increase over recent decades. However, despite marked progress, shortfalls persist. For example, the United Nations Population Fund (UNFPA) Supplies programme, the world's largest provider of contraceptives, currently has a funding gap of approximately $850 million. Those funds are needed to meet the growing demand for contraceptives from 2016 to 2020. If fully funded before 2020, UNFPA Supplies could prevent 116 million unintended pregnancies and 2.2 million maternal and child deaths.[3]

[1] See E/2015/25-E/CN.9/2015/7.

[2] General Assembly resolution 70/1, annex, para. 11.

[3] United Nations Population Fund, "UNFPA Supplies annual report 2014: Delivering Reproductive Health Solutions Globally", New York, NY. Available from: http://www.unfpa.org/unfpa-supplies#sthash.kjjV1FeH.dpuf.

5. Although resource allocations alone are not a meaningful indicator of success in the implementation of any policy or programme, they are a useful indicator for the priority given and effort made to address a particular concern. For this reason, the Programme of Action contains an entire section on the financing of population issues,[4] and, in a similar manner, the implementation of the 2030 Agenda for Sustainable Development was inseparably linked to discussions on financing for development.

6. In the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, adopted just a few weeks before the adoption of the 2030 Agenda for Sustainable Development, the need to better capture, monitor and report on resources allocated to development issues was stressed.[5] The present report contributes to that discussion with a further focus on specific issues, building on the previous report of the Secretary-General on this issue to the Commission on Population and Development.

7. Any effort to measure resource allocation for the implementation of the Programme of Action must start with a clear definition and delineation of relevant areas of investment and sector-specific categories. Section II of the present report contains a discussion of the caveats related to the definition and delineation of the major components for which the relevant resources have been reviewed to date; section III contains a discussion of caveats related to estimates of resource allocations from external and domestic sources; and in section IV, guidance is provided for policymakers as regards the measurement of resource allocation in this area.

II. Definition and delineation

8. As stated in the previous report of the Secretary-General, the review of resource flows was undertaken in response to a request by the Commission on Population and Development, at its twenty-eighth session,[6] for an annual report on the flow of financial resources to assist in the implementation of the Programme of Action of the International Conference on Population and Development held in Cairo in 1994 (see box 1).

Box 1
Resources flows for the implementation of the Programme of Action

In chapter XIII, section C of the Programme of Action, a review of resource allocations for "basic national programmes for population and reproductive health" was proposed. The costed package proposed was to include the following major components:

[4] *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), chapter XIII, section C.

[5] General Assembly resolution 69/313.

[6] See *Official Records of the Economic and Social Council, 1995, Supplement No. 7 (E/1995/27), annex I, sect. III.*

(a) In the family-planning services component contraceptive commodities and service delivery; capacity-building for information, education and communication regarding family planning and population and development issues; national capacity-building through support for training; infrastructure development and upgrading of facilities; policy development and programme evaluation; management information systems; basic service statistics; and focused efforts to ensure good quality care;

(b) In the basic reproductive health services component information and routine services for prenatal, normal and safe delivery and postnatal care; abortion;[a] information, education and communication about reproductive health, including sexually transmitted diseases, sexuality and responsible parenthood, and against harmful practices; adequate counselling; diagnosis and treatment for sexually transmitted diseases and other reproductive tract infections, as feasible; prevention of infertility and appropriate treatment, where feasible; and referrals, education and counselling services with respect to sexually transmitted diseases, including HIV/AIDS, and for pregnancy and delivery complications;

(c) In the sexually transmitted diseases/HIV/AIDS prevention programme component mass media and in-school education programmes, promotion of voluntary abstinence and responsible sexual behaviour and expanded distribution of condoms;

(d) In the basic research, data and population and development policy analysis component national capacity-building through support for demographic as well as programme-related data collection and analysis, research, policy development and training.

The Programme of Action spells out a number of related issues that demand separate and additional resources,[b] including resources for social and economic matters; strengthening the health sector more broadly; providing universal basic education and eliminating disparities; improving the status and empowerment of women; generating employment; addressing environmental concerns; and addressing poverty eradication.

[a] As specified in *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), para. 8.25.

[b] Ibid., paras. 13.17-13.19.

9. Reports have been submitted in accordance with General Assembly resolutions 49/128 and 50/124, by which the Assembly called for the preparation of periodic reports on the flow of financial resources for assisting in the implementation of the Programme of Action. UNFPA has actively supported measures to that end, in collaboration with the Netherlands Interdisciplinary Demographic Institute, generating annual reports on resources dedicated to: (a) family planning services; (b) basic reproductive health services; (c) sexually transmitted diseases/HIV/AIDS prevention programmes; and (d) the basic research, data and population and development policy analysis.

10. Despite continuous efforts by the partners to improve their methodology for estimating resource allocations to those four areas of work, in 2015 UNFPA decided to suspend the estimations in the light of mounting concerns regarding the reliability of the estimates. Instead, UNFPA and the Netherlands Interdisciplinary Demographic Institute have sought to estimate resource flows for family planning only, while summarizing for Member States the concerns of UNFPA regarding the validity and utility of the four-category estimates.

11. In parallel, there has been an increase in the number of exercises to estimate resource flows, both globally and nationally, and many initiatives have adopted an even narrower focus. They not only focus on a single category of investment, but also on a single type of resource flow. A case in point is the Kaiser Family Foundation, which reports solely on official development assistance (ODA) allocated to family planning. An overview table highlighting other initiatives and their focus is contained in the annex to the present report.

12. An overall recommendation to narrow the focus to one type of investment resource, notably ODA, and a subset of investments, has been motivated by two principal challenges. Some investments that are clearly intended for components related to sexual and reproductive health specified within the Programme of Action are not attributed to any categories (namely, comprehensive sexuality education), while many investments can potentially be classified in more than one category. The boundaries between basic reproductive health services, family planning services and HIV/AIDS-related interventions are in many cases blurred, impeding a clear categorization of interventions and tracking of resources. For example, efforts to ensure access to contraception such as condoms are not only an important component of family planning services, but also of HIV/AIDS-related interventions. Similarly, information about sexually transmitted diseases is an important element not only of HIV/AIDS-related interventions but also of basic reproductive health programmes. Even if it is possible to more rigorously define the categories in theory, it is not clear whether it is possible to more reliably estimate resource allocations to those areas in practice. That is because, in many cases, the services are provided under the same roof, by the same health-care facility and, in many cases, by the same staff within the facility. Indeed, the integrated delivery of health-care services, including sexual and reproductive health-care services, is desirable in itself. Whether through a one-stop service structure, or same-day, same-facility referrals, integrated health systems have proven more accessible and more effective in providing both prevention and care to women. However, the demand for integration too has further undermined the categorization of investments that was proposed by the Programme of Action and makes it very difficult to distinguish between resources that are allocated for different interventions, as noted in the previous report of the Secretary-General.

13. In short, the definition of the four categories of ICPD-related investments is not precise enough. Therefore, investments that are important to the implementation of the ICPD Programme of Action cannot easily be classified within these components, and hence may remain unrecorded. Where aid by traditional donors is concerned, the reporting and tracking system is relatively good and improving, but where aid of non-traditional donors is concerned, it is weak and patchy at best.

14. The challenge of clearly delineating between different interventions can be met in different ways. One response is to focus on a particular intervention area — for example, on reproductive health instead of population actions more broadly, or even on family planning rather than reproductive health — and to better circumscribe the intervention area and the interventions within it. This is an approach that UNFPA and the Netherlands Interdisciplinary Demographic Institute are now adopting in the second phase of their collaboration. Rather than continuing past efforts to estimate resource flows to the four components, the two partners, together with many other stakeholders, decided to develop a collaboration on resource flows in the area of family planning alone. While this is expected to produce more reliable data on one particular issue, the gain of greater accuracy is at the expense of the coverage of interventions for the implementation of the Programme of Action. Therefore, future efforts to estimate resource flows for the implementation of the Programme of Action cannot focus solely on family planning or even the four categories of activities estimated to date. They should take into consideration the priorities that were identified by the review of the Programme of Action in 2014,[7] as well as the targets and indicators of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) that are at its heart.

III. Sources of financial resources

15. Although the multitude of sources of potential financing for the implementation of the Programme of Action were recognized in 1994, efforts to estimate resource allocations largely focused on public resources. At the international level, this is reflected in better tagging and tracking of official development assistance for population-related activities, described below (see subsection A, "External resources"). At the national level, this is often reflected in a breakdown of national accounts data on health (see subsection B, "Domestic resources"). In subsequent subsections the importance of public resources is discussed, but the large and growing importance of private resources for the implementation of the Programme of Action is also underscored. Such private resources include not only private aid channelled largely through private foundations, but also personal remittances and out-of-pocket expenditures for many health- and development-related products and services.

16. Notwithstanding the importance of external resources for financing for development, the Programme of Action emphasized that the lion's share of resources for the financing of its implementation would need to come from domestic sources. It is tentatively estimated that up to two thirds of such costs will continue to be met by the countries themselves and approximately one third will come from external sources. However, the least developed countries and other low-income developing countries will require a greater share of external resources on a concessional and grant basis. Thus, there will be considerable variation in needs for external resources for population programmes, between and within regions.[8]

[7] See A/69/62.

[8] *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), para. 13.16.

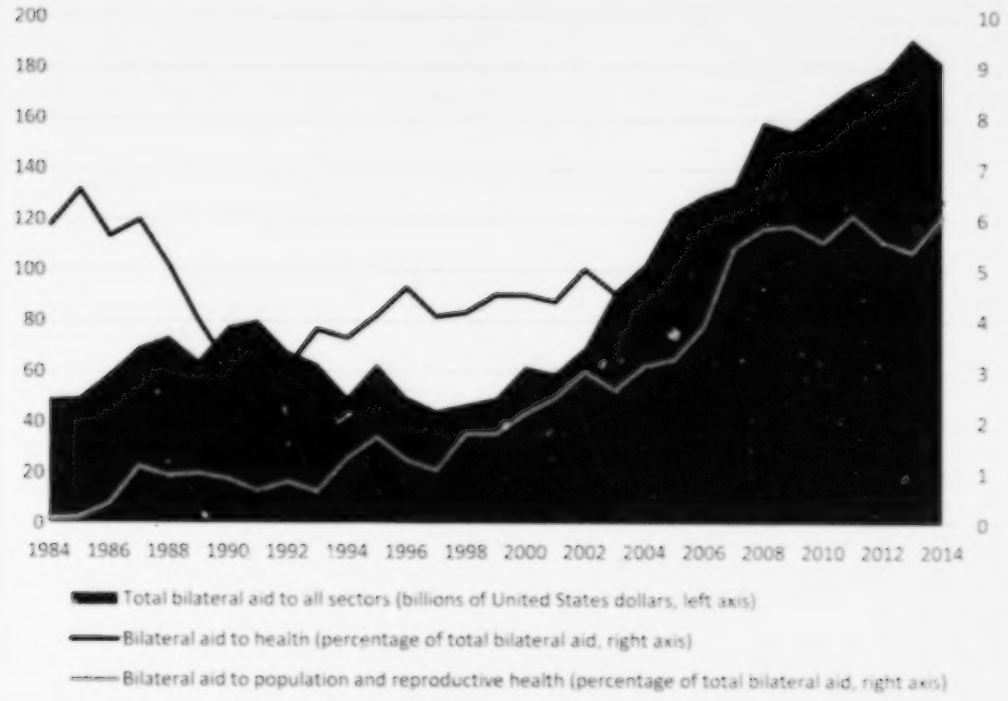
A. External resources

17. The focus on reproductive health and reproductive rights priorities within the Programme of Action was associated with a marked increase in aid committed to the population and reproductive health sector (see figure below). It is important to note, however, that aid to this sector was largely accounted for by aid to reproductive health and family planning, and from the 1990s onward, aid to this sector has also seen a considerable increase because of the funds dedicated to the fight against HIV. By comparison, very few resources were dedicated to population data, research and analysis — the fourth category referenced within the Programme of Action.

18. Although aid to the population and reproductive health sector was on a general increase after the agreement on the Programme of Action in 1994, it saw a further acceleration in 2005 after the Millennium Development Goals were expanded through the addition of target 5.5 on maternal mortality. In 1994, aid committed to population and reproductive health accounted for only 1.3 per cent of total bilateral aid and approximately one third of the amount of the aid allocated to the health sector. However, by 2014, aid committed to that sector had climbed to approximately 6 per cent of total bilateral aid and was almost as much as the aid allocated to the health sector. Over recent decades, aid to population and reproductive health increased in both relative and in absolute terms, and indeed represented a growing share of a growing pie. However, according to the latest estimates by the Organization for Economic Cooperation and Development (OECD), aid to the health sector has further increased from 6.4 to 7.7 per cent of total ODA between 2014 and 2015, whereas aid for population and reproductive health has declined from 6 to 5.6 per cent of total ODA over the same period.

19. Another way to think about this is that between 1995 and 2015, aid committed to population and reproductive health increased from $1 to $7 per woman of reproductive age living in the developing world. That is a significant achievement that has contributed to saving the lives of millions of women, adolescents and children, and has helped to bring about a noteworthy reduction in maternal mortality around the world.

Total bilateral aid and share of bilateral aid to the health sector and population and reproductive health sector for the period from 1984 to 2014



20. It is also noteworthy that in recent years non-traditional donors — both public and private — have shown a stronger commitment to population and reproductive health. Non-traditional donors include countries that are not members of the OECD Development Assistance Committee, as well as private foundations. In 2014, public donors that were not members of the Committee but reported their aid to OECD committed a total of $10.8 million. According to that data, the proportion of aid committed by non-traditional public donors remained relatively small compared with the aid committed by private foundations, and the aid committed by both types of non-traditional donors remained small compared with the aid of traditional public donors.[9] It must be noted, however, that contributions by non-traditional donors, whether public or private, are only partially recorded and therefore underestimated. This is because many of the non-traditional donors do not systematically report their aid expenditures to OECD for inclusion in its database on development aid. This

[9] The Bill and Melinda Gates Foundation reports its resource allocations to OECD in order for them to be included in OECD database on international development statistics. The resources provided by the Foundation are significant by any measure, and their inclusion in the database is of critical importance. However, there are numerous other foundations that are important contributors in the area of population and reproductive health, and data from their resource allocations would help to complete the picture.

highlights the importance of further improving the global data collection system and better capturing resource allocations by non-traditional donors.

21. A further breakdown of the broad category of aid allocated to population and reproductive health is provided by OECD upon request and is used, for instance, in the current UNFPA project on assessing resource flows described in more detail above (see paras. 9 and 10).[10] Although the data provides valuable insights into the resources available for implementing specific components of the Programme of Action, the data shows aid commitments only.

Aid commitments to population and reproductive health by selected donors, 2009-2015

(Millions of United States dollars)

	2009	*2010*	*2011*	*2012*	*2013*	*2014*	*2015*
All public donors	9 146	9 155	10 522	9 959	10 306	11 048	10 972
Development Assistance Committee donors	7 040	6 635	8 076	7 495	7 421	8 813	7 838
Donors not members of the Development Assistance Committee	–	1.6	1.0	0.4	0.4	10.8	8.7
Multilateral agencies	2 105	2 518	2 445	2 464	2 885	2 224	3 126
Bill and Melinda Gates Foundation	463	149	410	423	474	630	491

Source: OECDStatistics, ODA by sector and donor, available from: http://states.oecd.org (accessed 9 February 2017).

22. In general higher, less erratic and more sustainable financing requires a further diversification of the donor base, as well as a diversification of funding sources. This is true for the full realization of the Programme of Action and for countries at all stages of development. However, for the foreseeable future, the world's least developed countries will continue to strongly depend on development aid. They not only confront greater challenges than other country groups as regards the incidence of poverty, fertility rates, adolescent birth rates, maternal, infant and child mortality rates, sexually transmitted diseases, unmet need for family planning and the prevalence of contraceptives, but also have the weakest economic resources to address these challenges. Furthermore, many of the least developed countries are most susceptible to humanitarian and natural disasters, suffer from fragility and instability, and have weak infrastructure and governance systems.

23. In accordance, the importance of development assistance to the least developed countries was stressed in the Programme of Action. Furthermore, as emphasized in the Programme of Action, "in the mobilization of new and additional domestic resources and resources from donors, special attention needs to be given to

[10] The Institute for Health Metrics and Evaluation provides a breakdown of financial resources allocated to health. The Institute, however, focuses on resources allocated to health more broadly and provides fewer details on resources allocated to the area of sexual and reproductive health in particular. For further information, see Institute for Health Metrics and Evaluation, *Financing Global Health 2015: Development Assistance Steady on the Path to New Global Goals* (Seattle, United States of America, University of Washington, 2016).

adequate measures to address the basic needs of the most vulnerable groups of the population, particularly in the rural areas, and to ensure their access to social services."[11] These commitments were reiterated in the Programme of Action for the Least Developed Countries for the Decade 2011-2020[12] and the 2030 Agenda for Sustainable Development, in which it is stipulated that donors should allocate a minimum of 0.15 to 0.20 per cent of their gross national income to assist the least developed countries and that development efforts should leave no one behind. Against this background, countries have committed, through the Addis Ababa Action Agenda, to reverse the recent decline in ODA to the least developed countries and to make progress towards achieving the ODA targets for those countries.

24. In addition to official development assistance and development assistance provided by private donors, developing countries have seen a considerable increase in other resource inflows. There has been a considerable increase in foreign direct investments, and, more recently, the increase in international migration has contributed to a significant growth in personal remittances. Both of these resource flows, which were less significant than bilateral aid in the 1980s, have grown to be many times larger than such aid in recent years. While different types of financial flows are often put side by side, it is important to recognize the fundamental differences between the types of financial flows, which restrict the likelihood that one can substitute for the other. Unlike private flows, which are often procyclical in that they reinforce an economic trend, official flows are often countercyclical. Furthermore, whereas official flows often go to the public sector for public goals, private flows are in general driven by the profit motive and are more difficult to channel for the public good. It is mostly through fiscal policies and taxes, in particular, that governments can capture and reallocate a share of private resource flows in accordance with their development vision.

25. As remittances flow in large part to households rather than enterprises, governments or other institutions, remittances can be expected to make a more significant direct contribution to a given household's living conditions. Typically, remittances will be used to put food on the table, put children through school, or address health concerns before they are used for other consumption expenditures, to undertake investments or to augment savings. Although case study evidence supports this point and suggests that remittance receipts are used to finance expenditures on health, including expenditures related to reproductive health, it is difficult to provide systematic estimates of the share of remittances used for such purposes. Thus, what undoubtedly constitutes one of the most important external flows as regards the financing of health and other aspects of human development is difficult to include in any resource estimate as such. Furthermore, while personal remittances are appropriately classified as an external resource flow, they ultimately contribute to the incomes of households and should be considered in this context. However, at the household level, remittance receipts often blend in with income and revenue from other sources. Furthermore, the majority of countries do not systematically collect or publish data that would allow for a detailed breakdown of

[11] *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), para. 13.12.

[12] A/CONF.219/3/Rev.1.

household consumption expenditures. Efforts to track resource allocations at the domestic level, including from both the public and the private sector, are further discussed in the subsequent section.

B. Domestic resources

26. Most recently, the importance of domestic resources was underscored in the Addis Ababa Action Agenda, building on the Monterrey Consensus of the International Conference on Financing for Development of 2002. To estimate the domestic resources allocated to implementing the Programme of Action, however, is not trivial. Countries have relatively good national accounts data that show public consumption by central and local governments and the private consumption expenditures of households and other entities, but this data is provided at a very general level. Data on public expenditures is available for relatively broad categories such as health or education, but a breakdown of those expenditures is not readily available for the more specific categories. The government finance statistics database maintained by the International Monetary Fund shows health expenditures by six broad categories,[13] but these categories do not provide insight into reproductive health expenditures specifically, although some categories, such as overall public health services, are indeed critical to the implementation of the Programme of Action. In addition, many countries do not report data for these categories, and if they do, the data is untimely. To estimate what share of health-related expenditures is allocated to each type of health-related activity, it is necessary to painstakingly examine administrative records, surveys and censuses, and harmonize the available data. Several countries have undertaken such an analysis and have developed national health accounts (see box 2), which provide greater insight into resource allocations in the area of health.[14] Although it is a complicated and costly effort, Rwanda has developed a national health account, and has used it as one of several tools to track resource allocations for its health sector.[15]

[13] The categories of expenditures are: medical products, appliances and equipment; outpatient services; hospital services; public health services; health research and development; and other health expenditures.

[14] The World Health Organization has supported the development and publication of national health accounts in several countries. Background information on this work and related data are accessible from: http://apps.who.int/nha/en/.

[15] The Rwanda health sector has put in place a Health Sector Strategic Plan (2012-2018) that provides strategic guidance and sets priorities for the sector with the overall goal of improving the health status of the population over the long term. The Strategic Plan is underpinned by a comprehensive monitoring and evaluation framework, and key financial indicators are an essential component of the framework. Key financial indicators identified include: the percentage of the Government's budget allocated to the health sector; per capita annual expenditure on health; and percentage of the population covered by *mutuelles*. *Source*: Ministry of Health, Rwanda (2012).

Box 2

National health accounts and reproductive health sub-accounts

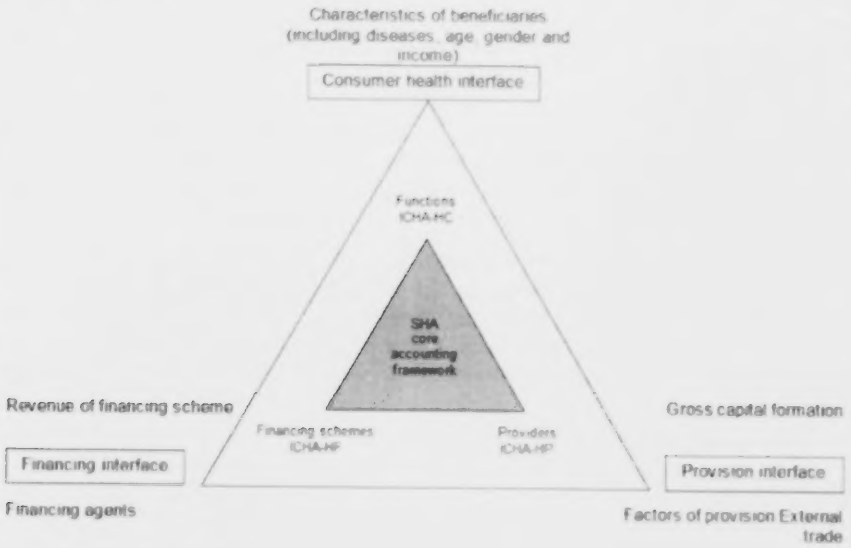
A national health account provides a breakdown of health-care expenditures that is consistent with a country's national accounts. The methodology for national health accounts was pioneered by the World Health Organization (WHO) and is better described as a system of health accounting. The system distinguishes between the functions of the health-care system, the providers of health care and financing of health care, as presented in the figure below. These three core classifications address three basic questions:[a]

(a) What kinds of health-care goods and services are consumed?

(b) Which health-care providers deliver these goods and services?

(c) Which financing scheme pays for these goods and services?

Core and extended accounting framework of the 2011 System of Health Accounts



Source: International Health Accounts Team for the 2011 System of Health Accounts.

Abbreviations: ICHA-HC, health-care system functions; ICHA-HF, financing of health care; ICHA-HP, providers of health care; SHA, System of Health Accounts.

The same framework can be used to construct sub-accounts on any health issue — malaria, tuberculosis, HIV, child health and reproductive health, among others — but it is generally recommended that a sub-account be developed only as a part of the overall account for the health sector.[b] The sub-account on reproductive health follows the methodological guidelines of the WHO Commission on Information and Accountability for Women's and Children's Health and shows, for example, whether donations were made on time, resources were spent efficiently and transparently and the desired results were achieved.

[a] Information on the methodology employed is available from: http://www.who.int/health-accounts/methodology/en/.

[b] World Health Organization, "Guide to producing reproductive health subaccounts within the national health accounts framework", Geneva, 2009.

27. As part of their national health accounts, several countries have developed a reproductive health sub-account. A recent review of those sub-accounts shows that expenditures on reproductive health varied between 19 per cent and 6 per cent of the total health-care expenditures of the countries in question. Furthermore, the review highlighted that spending on reproductive health continues to be heavily dependent on donors, and that a considerable share of those expenditures is also borne by households themselves. Whereas private consumption expenditures on health more generally include, for example, payments for health insurance, out-of-pocket expenditures typically go directly to the health-care providers.[15] A high share of out-of-pocket expenditures can act as a barrier to the utilization of essential services, and in the case of an acute need for care, a high share of out-of-pocket expenditures can place an unsustainable financial burden on poorer households.

28. Out-of-pocket expenditures on health continue to account for a large share of total expenditures on health. World Health Organization (WHO) data shows that, between 1995 and 2014, out-of-pocket expenditures decreased by 10 percentage points in the Eastern Mediterranean and 6 percentage points in South-East Asia, but remain very high, at 35 per cent of total expenditures on health in the former and 51 per cent in the latter. The two regions in which out-of-pocket expenditures increased — Europe and the Western Pacific — saw a decrease in social, publically backed health insurance. This trade-off is particularly apparent in the Western Pacific, where a decline in social insurance by 15 percentage points was paralleled by an increase in out-of-pocket expenditures in the order of 6 percentage points.

29. The latest survey by UNFPA and the Netherlands Interdisciplinary Demographic Institute underscores the importance of out-of-pocket expenditures for family planning in developing countries, which amounted to $8.5 billion in 2014. This is about 10 times as much as donors from the OECD Development Assistance Committee spent on family planning in the same year. These estimates, however, suffer from serious methodological challenges. In addition to national health accounts, the main source of information on out-of-pocket expenditures are the Demographic and Health Surveys, which include spending and provider sources, as well as access to free goods and services. However, neither national health accounts nor Demographic and Health Surveys are universally available. Estimates of out-of-pocket expenditures thus depend on supplementary surveys and on modelling. Building on the efforts of the Futures Group, the Netherlands Interdisciplinary

Demographic Institute is exploring ways to improve the modelling of these estimates, but the 2014 survey on resource flows makes it clear that it is an ongoing effort: the results achieved appear to indicate that the way chosen is worth improving to achieve reliable estimates on family planning out-of-pocket expenditures.

30. In short, available data suggests that out-of-pocket expenditures remain very important and are in some cases of growing importance as regards the financing of health-care expenditures. Because of their growing importance and because the reliance on out-of-pocket expenditures has important implications for inequalities in access to services, it is essential that greater emphasis be placed on collecting data on out-of-pocket expenditures in all countries. This is also important in the context of the ambition to ensure universal health coverage and the emphasis of the 2030 Agenda for Sustainable Development more broadly on leaving no one behind. However, to reliably estimate out-of-pocket expenditures on reproductive health, further methodological developments will be required, as will the systematic development of reproductive health sub-accounts as part of national accounts.[16]

IV. The new context

31. The continuation of the efforts undertaken under the Millennium Development Goals through the adoption of the Sustainable Development Goals represents a landmark change in development cooperation. Whereas the Millennium Development Goals were largely focused on social development objectives, the Sustainable Development Goals include many more economic and environmental development objectives. The broader set of objectives is reflected in a larger set of goals, targets and indicators. A total of 8 Millennium Development Goals, 21 targets and 60 indicators have now been replaced by no fewer than 17 Sustainable Development Goals, 169 targets and 230 indicators.[17] The 2030 Agenda for Sustainable Development, which has the Sustainable Development Goals at its heart, is arguably the most comprehensive, balanced and ambitious development agenda ever agreed upon by the international community, and its successful implementation will critically depend on the mobilization of the necessary financial, technical and human resources.

32. The international financial institutions have estimated that pursuing the Sustainable Development Goals will not cost billions but trillions of dollars over the next 15 years, which is an unprecedented amount.[18] It is clearer than ever that such financing needs cannot be met by development assistance alone and that, this time, development assistance itself demands major reform. The paradigm shift that is reflected in the substantive focus of the development agenda calls for a parallel shift in the approach to development assistance. To drive development forward, the

[16] J. Pradhan, E. M. Sidze, A. Khanna and E. Beekink, "Mapping of reproductive health financing: methodological challenges", *Sex Reproductive Health*, vol. 5, No. 3 (2014), pp. 90-8.

[17] This includes not only what is referred to as tier 1 and tier 2 indicators, but also tier 3 indicators, for which methodologies and/or data sources have not yet been agreed upon, or are not yet available.

[18] African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, International Monetary Fund and World Bank, *From Billions to Trillions: Transforming Development Finance Post-2015 Financing for Development: Multilateral Development Finance* (18 April 2015).

efforts of the public sector — in developing countries and by development partners — must be supported by a broader alliance of stakeholders.

33. Accordingly, the international financial institutions note, in their aforementioned study,[18] that to meet the investment needs of the Sustainable Development Goals, the global community needs to move the discussion from billions in ODA to trillions in investments of all kinds: public and private, national and global, in both capital and capacity. This does not mean that official development assistance will be any less important, but that it will not be enough. All sources of financing will be needed. Furthermore, greater attention must be paid to directing private resources to desired investments. Doing so underscores the important role of the public sector in creating incentives for investments by the private sector. The recent financial and economic crisis has underscored the importance of expanding the resource envelope, rather than simply reallocating available resources, but it has also shown the limits of expansionary monetary policies in a context of limited aggregate demand.

34. The international financial institutions note that "billions to trillions" is shorthand for the realization that achieving the Sustainable Development Goals will require more than money. It needs a global change of mindsets, approaches and accountabilities to reflect and transform the new reality of a developing world that includes highly varied country contexts. This realization of the need for an entirely new approach to financing for development is also apparent in the Addis Ababa Action Agenda, which addresses the challenge of financing the implementation of the Sustainable Development Goals. The original version of the Addis Ababa Action Agenda is 37 pages long, and on these pages it mentions the word "innovation" no less than 46 times. Innovative approaches are needed to mobilize and direct available resources, to create new and additional resources, to mix public and private resources, and to create new partnerships.

35. A close reading of the Programme of Action shows that it is remarkably forward-looking and timeless. Not only were many of the issues and linkages that are now front and centre in the 2030 Agenda for Sustainable Development highlighted in the Programme of Action, but the importance of a broad and inclusive approach in the financing of its objectives was underscored: "Governments, non-governmental organizations, the private sector and local communities, assisted upon request by the international community, should strive to mobilize and effectively utilize the resources"; and "in mobilizing resources for these purposes, countries should examine new modalities such as increased involvement of the private sector, the selective use of user fees, social marketing, cost-sharing and other forms of cost recovery."[19]

36. Against that background, it is clear that any assessment of the resources mobilized for, and allocated to, the implementation of the Programme of Action must be as comprehensive as possible. It must go well beyond a focus on foreign aid, which is arguably still the centrepiece of estimates of resource flows — in particular for the least developed countries — and must do much better in estimating the resources from all external and domestic sources. Within the

[19] *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), para. 13.22.

estimation efforts, greater effort must be placed on, in particular, a breakdown of public expenditures on sexual and reproductive health and on the systematic recording of public expenditures on population data, notably its collection, analysis and use. Furthermore, data must be collected on more comprehensive expenditures by households, out-of-pocket expenditures and expenditures by other private entries, including commercial enterprises and charitable institutions.

37. Finally, as emphasized in the Addis Ababa Action Agenda, a focus on the sheer size of resources must be complemented by a focus on the developmental impact of the resources. Why are some countries achieving better health outcomes although they spend less on health per capita? Examining such questions can help to identify good and innovative practices and support countries in their ambition to do more with available resources. Rwanda, one of the world's least developed countries, is setting an example for many other countries in how to better track resource flows. It ensures not only that available resources are aligned with its national development strategy, but that resource allocations are monitored and evaluated on a regular basis.

V. Summary and recommendations

38. In summary, the present report highlights a number of areas in which progress has been made in estimating the resources committed to the implementation of the Programme of Action and highlights several challenges.

39. A core challenge has been the fact that, as needs and programming priorities within categories of interest have evolved over time, definitions have become blurred, and the reporting of resources has become increasingly difficult to classify. There is a risk that some resources will be counted more than once, as the same resources can potentially be allocated to different categories. The general response to this challenge has been to focus attention on selected categories, such as family planning. At present, almost all initiatives to estimate resource flows focus on reproductive health, family planning, and/or HIV/AIDS and largely neglect resource flows to population research, data generation, or population and development policy analysis.

40. Unlike resources allocated to research, data and analysis, which mostly come from the public sector and a few private institutions, resources for reproductive health, family planning and sexually transmitted diseases come from the public sector, the private sector and individuals. In accordance, it is not enough to examine official development assistance and public expenditures — financial data from private sector players and individuals and households must also be collected, and the former must include both international and national private sector contributions.

41. Despite continuous improvements in the classification of development aid, important challenges remain. These are in part related to the fact that non-traditional donors, including official donors and private foundations, do not systematically report their resource allocations. Furthermore, the tracking system records only commitments of resources as reported by the donors, or creditors, but does not include a record of disbursements of resources. Indeed, resource commitments are systematically, and sometime substantially, higher than resource disbursements. It is

thus probable that the aid allocations to activities for the implementation of the Programme of Action are systematically overestimated in estimates of resource flows.

42. Furthermore, while other external flows are undoubtedly important for expenditures for the implementation of the Programme of Action, the destination of those resource flows cannot be estimated in any rigorous manner. This is true in particular for personal remittances, which have increased significantly in recent years and have been receiving increasing attention in the discussion on financing for development. Although it is possible to estimate the amount that households receive in remittances, it is difficult to determine the use households make of remittance receipts. This is because, at the household level, remittances blend in with, and become indistinguishable from, other sources of disposable household income.

43. Therefore, in order to get a better understanding of resource allocations, it is critical to look beyond development assistance and obtain a much better understanding of domestic resource allocations. To that end, detailed examinations of the public budgets of central and local governments must be undertaken, as must detailed examinations of private expenditures by individuals, households and other entities. However, national accounts and public budgets are generally too crude to allow for a detailed examination of expenditures by public and private entities on specific activities.

44. One important way to bring greater rigour to the estimation of resources for sexual and reproductive health-related activities — neglecting expenditures on other priorities contained in the Programme of Action — is through the greater use of national health accounts, further encouraging the availability of, and access to, data provided by censuses, surveys and administrative records for all countries and encouraging the delineation of sexual and reproductive health categories within national health accounts. Without a series of national health accounts, it is not possible to estimate any change in resource allocations to health-related activities over time. As a response to that challenge, some countries have opted to implement a lighter version of national health accounts, and while these do not provide the same wealth of information, they can be updated more easily on a regular basis.

45. By comparison, it is far less complex to undertake a specific and focused survey of officials, households and other private entities to estimate their expenditures on health-related matters. Such surveys, however, suffer from relatively weak response rates, which undermine their reliability, and must be repeated in a consistent fashion in order to enable trends to be identified and general conclusions to be drawn. Furthermore, efforts to estimate expenditures of individuals through personal expenditure records can only complement other sources to get a comprehensive account of total expenditures. Against this background, this report advances the following recommendations:

(a) As there is decreasing confidence in the reliability of estimates of distinct resource flows from both ODA and national investments to the subcategories of sexual and reproductive health, family planning and HIV-related care, these estimates should not be reported to the Commission on Population and Development, lest they convey a false sense of precision in the reported levels and trends;

(b) Collaborations that provide periodic estimates of resource flows for defined and measurable subcomponents of the Programme of Action should be encouraged and potentially reported as occasional reports or as part of the other thematic reports submitted to the Commission on Population and Development;

(c) Support should be provided to governments to improve their overall capacity and national data systems for the generation and use of national data on resource flows for development, with specific attention to sectors important for the implementation of the Programme of Action and 2030 Agenda for Sustainable Development. This support should extend to the generation and use of national health accounts, with attention to specific categories of sexual and reproductive health where possible;

(d) Given the importance of better underlying data to all of the above, greater attention to the international and domestic resources flows to strengthen national capacity in the generation and use of population data, which corresponds to a Sustainable Development Goal target unto itself (target 17.19), is recommended.

46. At present, many countries have weak and fragmented data systems, which undermine a systematic and comprehensive collection of data. Even in countries where data is systematically collected, many data management systems are limited and fragmented, which undermines the accessibility and use of data. Strengthening national data systems is a precondition for evidence-based decision-making. Barring such efforts, it will be difficult for countries to assess the effectiveness and efficiency of policies and programmes, and there is a risk that countries will misallocate scarce resources for programmes and activities. Creating a culture of national evidence-based policymaking is first and foremost a political commitment, but also a commitment that must be backed by significant investments in data systems.

Annex

Initiative	*Date of launch*	*Partners*	*UNFPA mandate area*	*Countries or regions covered*	*Type of expenditure*	*Comments*
Resource Flows Project	1997	UNFPA and the Netherlands Interdisciplinary Demographic Institute, Indian Institute of Health Management Research and African Population and Health Research Center	• Family planning services • Basic reproductive health services • STI and HIV/AIDS prevention activities • Basic research, data and population and development policy analysis	Aimed at annual global coverage	• Aid from public official donors • Aid from private donors, including foundations • Domestic public expenditures, including governments and national non-governmental organizations • Estimate of out-of-pocket expenditures	Major challenges include: disaggregating the four categories of the costed population package; difficulty in disaggregating the population component in integrated social and health projects and sector-wide approaches; different recording practices; countries with decentralized accounting systems cannot readily report on resources at lower administrative levels; respondent fatigue; limited regulation of in-country approaches to domestic estimates; lack of human and financial resources. For a list of issues, see E/CN.9/2016/5.
Resource Flows Project	2015	UNFPA	• Family planning	Aimed at global coverage		Advantage: the category of family planning is better defined than the other categories in the Resource Flows Project, which eliminates some problems. Disadvantage: it leaves out many other areas of the work of the International Conference on Population and Development and UNFPA.

Initiative	*Date of launch*	*Partners*	*UNFPA mandate area*	*Countries or regions covered*	*Type of expenditure*	*Comments*
Donor government assistance for family planning	London Summit on Family Planning: towards 2020	Kaiser Family Foundation	International family planning assistance: donor governments as a share of bilateral disbursements	Major bilateral donors: 24 members of the OECD Development Assistance Committee	Analysis of bilateral disbursements for family planning	The Kaiser Family Foundation works directly with donors to identify the family planning-specific portion of these funds to the extent possible. However, there are challenges in terms of: (a) separating family planning funds from those supporting broader reproductive health programmes or general development basket funding; and (b) including multilateral organizations such as the United Nations.
WHO Global Health Expenditure Database	Starting in 2014, the health accounts include a detailed module on family planning expenditures	WHO	Family planning expenditure data	Currently being rolled out in 20 developing countries	WHO uses the health accounting and policy analysis framework of the 2011 System of Health Accounts for collecting and analysing health expenditure data and reports it using the Health Accounts Production Tool	Data gathering, processing and validation takes a very long time
United States Agency for International Development DELIVER project: contraceptive security indicators data	Information gathered since 2009	Information on commodities expenditures is tracked for countries supported by the DELIVER project	Existence of government budget line for contraceptives, amount allocated and amount spent by governments for procurement of contraceptives	Between 30 and 50 countries in various regions that respond to a questionnaire	Data gathered as part of the DELIVER project's contraceptive indicators	

Initiative	*Date of launch*	*Partners*	*UNFPA mandate area*	*Countries or regions covered*	*Type of expenditure*	*Comments*
Global estimates for family planning expenditures	Since 2014	Track20, PMA2020	• Country and global estimates of family planning expenditures • Estimates for out-of-pocket expenditures	Global, depending on data availability	• Derives global estimates for family planning expenditures from data available from these other sources • Estimates out-of-pocket expenditures from Demographic and Health Surveys data on source of contraceptives combined with commercial price surveys conducted in priority countries	Methodology evolving to accommodate information from various sources
Countdown health financing working group	Data displayed for 2003-2012; published in Lancet		HIV, reproductive health and family planning	Global	Information from OECD creditor reporting system	Information available from "Countdown to 2015: a decade of tracking progress for maternal, newborn, and child survival" Lancet, 17 October 2015
Institute for Health Metrics and Evaluation	Data displayed for 1990-2013		Maternal health, family planning, HIV/AIDS and health system strengthening	Regional and global level		Data available online includes visualizations that can readily be accessed from: http://www.healthdata.org/results/data-visualizations

Initiative	*Date of launch*	*Partners*	*UNFPA mandate area*	*Countries or regions covered*	*Type of expenditure*	*Comments*
"Contraceptives and condoms for family planning and STI/HIV prevention: external procurement support report" (previously known as "Donor support for contraceptives and condoms for family planning and STI/HIV prevention report")	1997	UNFPA and key donors and partners such as the Department for International Development (United Kingdom of Great Britain and Northern Ireland), The Global Fund to Fight AIDS, Tuberculosis and Malaria, IPPF, KfW, Mary Stopes International, Population Services International, UNFPA and the United States Agency for International Development	Contraceptives and condoms procured through external support by key donors/partners	Aimed at annual global support to all countries	Contraceptives and condoms for family planning and STI/HIV prevention	As per 2013 report, which includes data from 8 donors/partners, the total value of external procurement support for contraceptives and condoms for family planning and STI/HIV prevention was $343 million, or $22 million more than in 2012

Abbreviations: OECD, Organization for Cooperation and Development; STI, sexually transmitted infections; UNFPA, United Nations Population Fund; WHO, World Health Organization.